

Good afternoon. My name is James Opfer. I'm with Thunder Basin Coal Company. I've been involved in coal mining in the Western U.S. about 34 years, and I've lived in Gillette and worked in the Powder River Basin for about the past 25 years. As I'm sure many of those in attendance here today can attest, we've seen not just our community but many communities around Wyoming grow and transform into wonderful places to live and raise families as the result of the billions of dollars that have collectively been poured back into our communities through the current coal leasing program as well as the billions generated from other large taxes and fees paid by coal mining industry, as we've heard, an aggregate total of 40 percent on every dollar of sales. It doesn't matter whether you are an advocate of coal or not, you can't deny having received immense benefit from the countless number of public projects that have been funded either in their entirety or in part by the existing federal coal lease program. Projects ranging from highways to schools to water supply pipelines and other public infrastructure have been funded by this program. It is highly likely that the vast majority of these projects would never have been undertaken, and, in fact, many of them would not have been made possible if it weren't for the funds generated from the coal leasing program. Those of us who support coal's use realize that coal is at a critical crossroad in terms of its continued use as a cheap, reliable, and abundant fuel source for electric power generation. During the last several years, an assault on coal from the current administration has been waged on all fronts. Indeed, the current combined economic and regulatory environment for coal is the absolute worst that I have personally experienced in my 30-plus year career. At a time when our overall economy is still struggling to return to more robust growth, it would seem imprudent, irresponsible and to a point reckless to further increase taxes on coal in the form of higher royalty rates. In the scenario of higher rates coupled with the existing coal marketplace, it is likely that coal consumption from the PRB could be curtailed significantly along with the collection of federal and state receipts associated with the leasing program, not to mention the potential significant decrease in the number of good-paying mining jobs. Lastly, while critics of the current federal coal royalty program are quick to point out that all they are seeking is a higher

return for the public on a valuable asset, the real not-so-hard-to-hide motive is to render coal entirely uncompetitive and keep it from being mined, period. Their argument of seeking a higher return, as we've heard, is disingenuous at best. If the need to increase the royalties from the federal leasing program is the real issue, then steps should be taken to improve the return to the American public while making coal on federally controlled lands more competitive in the current marketplace, not less. Thank you.